

PRIVATE

January 26, 1972

MR. S. M. GRUBIN - 100000

Re: Business and Industrial Coordinating Council (BICC)

The Chairman of the Board of Trustees of the Greater Newark Chamber of Commerce (GNCC), Mr. C. Malcolm Davis, invited us to his office to discuss the amount of money GNCC would give to the Business and Industrial Coordinating Council (BICC) in 1972. Present at the meeting were: Mr. Davis, who is also Chairman of the Board of Fidelity Union Trust Company; Mr. William J. O'Connor, Senior Vice President of Fidelity Union Trust Company and Chairman of the Finance Committee of GNCC; Mr. Charlie Hall, President of GNCC; Mr. Marshall Wolf, Vice President and Cashier of National Newark and Essex Bank and Co-Chairman of BICC; and, Mr. Jules H. Lozowick, Community Relations Manager of Western Electric Company and incoming Co-Chairman of BICC replacing Mr. Wolf.

We were informed that GNCC will finance BICC in 1972 at the same rate it was financed in 1971, that is, \$58,000 but the financing will be reduced approximately one-third each in 1973, 1974, and 1975. Mr. O'Connor explained that the above is a commitment, but GNCC would be willing to speak to BICC about adjusting the amounts. We questioned Mr. Davis whether or not the Chamber was saying that BICC should phase out of operation. He, Mr. Hall, and Mr. O'Connor all stated no, that they thought that BICC was doing a useful and important function in the City and they wished us well. Mr. Davis was especially vocal about liking BICC. We asked whether or not the GNCC Board discussed the possibility that BICC would go directly to companies for financing. Mr. O'Connor answered that this was implicit in their reduction of monies to BICC. He said BICC could charge companies on a service fee, dues, or contribution basis. We stated that this was ironic in that the non-white community always wanted BICC to go directly to companies for its financing and the businessmen on the Executive Board resisted. We pointed out that this change would make public the amounts of money given to BICC by each company and the Chamber would loose influence with-in BICC and the non-white community. Mr. Hall answered by saying that there were other reasons for taking this action, such as: GNCC was having trouble with their own finances, BICC could go to foundations to seek monies that were not available to the GNCC, and there are businesses in GNCC who do not want their monies used for BICC.

We told Mr. Hall that we understood, but felt that the companies had more to gain by the Executive Board of BICC not knowing how much money came from each company and could not whiplash a company by comparing one to the other. This

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will change the character of the organization and strengthen the hand of the non-business members of BICC as they will have more knowledge of who is giving and to what extent. We would have to appoint a Finance Committee in BICC to examine ways and means of financing the organization for its basic staff.

The monies received from GNCC pay only for the basic staff of BICC and not for programs. Staff hired for BICC programs are paid from foundation or government funds. When BICC writes a proposal it includes in it monies to reimburse BICC for the salaries, supplies, rent, etc., required. BICC has thirteen employees, four of which are basic staff.

The meeting ended on an agreeable basis, but we think it appropriate to point out that saying it is implicit in the GNCC's answer that companies know that BICC will approach them directly for funds is vague. Our conversations with Mr. Hall lead us to believe that he is neutral to hostile about BICC. We say this in spite of his telling us he agrees that BICC performs a valuable function. With this conclusion and knowing the financial condition of GNCC, we can understand why Mr. Hall would push to reduce the commitment of GNCC monies to BICC; but, we believe that the companies in GNCC need to realize that BICC will be coming to them directly for finances. We understand that some GNCC Board members were surprised that Joe Partenheimer was a paid employee of BICC and not a volunteer; but, Joe was recruited by Milford A. Vieser when he was Chairman of the Board of the then Chamber of Commerce to work for BICC and be available to help any group in the city that needed him. We understand that Mr. Vieser said that the Chamber would pay Joe's salary. Most companies do not want to be directly solicited for funds and when BICC was organized they agreed to increase their dues to the Chamber for the purpose of paying for BICC.

We would appreciate speaking to you about this matter, as we are Co-Chairmen of BICC and do not want to take any action that could embarrass us.

JRL:CH

Original Signed By
J. H. LOZOWICK

J. H. LOZOWICK - 146400

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BELL MANIFOLD:

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GNCC financing of BICC: 1971-\$58,000; 1972-\$58,000; 1973-\$38,600; 1974-\$19,300; and, 1975-\$ 0.

\$58,000 pays for staff of four: Executive director, consultant, two secretaries, plus rent, etc.

BICC was established in 1963 by businessmen with financial backing through the then Chamber of Commerce to pay for the employment activities of BICC and the Urban League. Some companies raised their dues to the Chamber to pay for BICC costs.

In 1966 the Chamber hired Joe Partenheimer and put him on BICC's payroll. The Chamber increased monies to BICC to pay for Joe.

The non-white community wants direct access to companies as they believe direct pressure will result in more BICC monies than is now available through Chamber financing. This could result in whiplashing one company against another as the non-white community becomes knowledgeable of what one company gave versus another company.

How should BICC charge companies for their services when not all services are directly applicable to a specific company? Such services include the communication path provided by the BICC monthly general meetings which allows the community to have face-to-face talks on hot issues. This helps to defuse issues without resorting to the force of picket lines and newspaper stories. Other community activities include City and State officials, as well as, the non-white community call on BICC for information; BICC is available to help small and medium size companies with their EEO problems. This indirectly helps the larger companies who have EEO programs. How do you charge a company for this work? By dues, contribution, or on a fee for the number of people hired through BICC? Which companies would go to the BICC if they had to pay for services?

The basic question is whether BICC should exist or disappear. We do not know of an organization capable of picking up the functions without adding staff. The Urban League and Urban Coalition could do the work, but are deficit financed and would not accept the role without adequate compensation.

BICC is an influential organization in the City of Newark with company and community sponsorship and, as such, is needed at this time. The \$58,000 for 1972 does not reflect the increase cost of doing work in 1972 over 1971. By April 1, 1972, we would be glad to sit down to show anyone the new methods we have established to clarify our bookkeeping and management controls.